House Republican Press Release

July 6, 2005

Press Office: 860-240-8700

Letter to FERC



Representative Kevin M. DelGobbo Naugatuck, CT

Hon. Joseph T. Kelliher, Chairman Federal Energy Regulatory Commission 888 First Street, NE Washington, D.C. 20426

Dear Mr. Chairman,

I write to you with regard to ISO New England's request for your approval of its LICAP (Locational Installed Capacity Payment) proposal.

I urge, in the strongest possible terms, that FERC *REJECT* this proposal.

LICAP would have the effect of raising Connecticut ratepayer's bills by as much as 24%. The impact of such a rate increase on our consumers and our economy would be nothing short of devastating!

Simply put, it is my firm conviction that the rationale put forth in support of LICAP is ill conceived and wrong. While LICAP would represent a \$13 Billion windfall (at ratepayer's expense) for the wholesale generation market in our region, it provides no guarantee or even likelihood that it would provide any real benefit for our ratepayers.

I would associate myself entirely with the comments and analysis contained in a letter on this subject addressed to you, dated July 5, 2005, and signed by 28 Members of Congress from the New England region. In this regard I would request a copy of any response you might promulgate to the questions posed in that letter.

I would also re-affirm my unequivocal support for the positions put forward by the Hon. Donald Downes, Chairman of Connecticut's Department of Public Utility Control, in his longstanding opposition to the imposition of LICAP.

FERC's rejection of LICAP is of critical importance not only to all Connecticut residents, but also to the development of a workable Energy policy in the New England region.

Thank you for your consideration of this matter, I look forward to your response.

Respectfully,

Kevin M. DelGobbo

State Representative
Ranking Member, Committee on Energy and Technology